

# Power Cost Memorandum Fuel Cost Update

Date: **May 4, 2023**

Utility Name (Cert. No.) <b>Elfin Cove Community Council d/b/a Elfin Cove Utility Company (701)</b>	Utility File No. <b>PC69-1022B</b>	Date Filed: <b>April 7, 2023</b>
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PCE AMOUNT SUMMARY	Previously Approved PC69-1022A	Staff Recommended Amount(s) and Effective Date PC69-1022B
Class Rate	<u>Date Approved:</u> December 2, 2022	May 5, 2023
Residential	\$0.5133	\$0.5485
Community Facilities	\$0.5133	\$0.5485
<input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent <input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent		

Prior Fuel Purchase Price: <u>\$ 5.6707</u>	New Fuel Purchase Price: <b>\$ 6.0550</b>
Delivery Charge: <input checked="" type="checkbox"/> Actual <input type="checkbox"/> Weighted <u>0.8</u>	Surcharge Change: Previous: <u>0.325</u> <input checked="" type="checkbox"/> Actual <input type="checkbox"/> Weighted Updated: <u>0.325</u>

Staff notes Elfin Cove included the State motor fuel tax - marine of \$0.05 in the cost per gallon of fuel on its Fuel Report. Staff removed the motor fuel tax from the amount reported to calculate the cost per gallon listed above. Staff removed it because fuel used by power plants for power generation are exempt and entitled to a refund of the motor fuel tax paid. (AS 43.40.015(d)(1), AS 43.40.030(d), and AS 43.40.100(C)) See Appendix 2.

Signed: *Brenda Cox*  
Brenda Cox

Utility Financial Analyst

**Commission decision re. this recommendation :**

	Date (if different from 5/4/23)	I CONCUR	I DO NOT CONCUR	I WILL WRITE A DISSENTING STATEMENT *
Kurber		<i>KK</i>		
Doyle		<i>BD</i>		
Pickett		<i>RMP</i>		
Sullivan		<i>RMP</i> for DS		
Wilson		<i>JWW</i>		

*Special Instructions to Staff:*

\* If this column is initialed, Staff will contact the Commissioner for the statement, otherwise, dissent will simply be noted at the close of the By Direction Letter or Order.

# ELFIN COVE ELECTRIC UTILITY

## POWER COST EQUALIZATION CALCULATION

For the Test Period Ending June 30, 2022

### Fuel Cost Update

	PC69-1022A		PC69-1022B
	Prior Commission Approval	Utility Request	Staff Recommended
A. Total kWh Generated	398,169	398,169	398,169
B. Total kWh Sold (Appendix 2)	329,442	329,442	329,442
C. Total Non-Fuel Costs (Appendix 2)	62,761	62,761	62,761
<b>D. Non-Fuel Cost/kWh (C / B)</b>	<b>\$0.1905</b>	<b>\$0.1905</b>	<b>\$0.1905</b>
E. Total Fuel Costs (Appendix 2)	179,757	191,939	191,939
<b>F. Fuel Costs/kWh (E / B)</b>	<b>\$0.5456</b>	<b>\$0.5826</b>	<b>\$0.5826</b>
G. Eligible Costs/kWh (D + F)	\$0.7361	\$0.7731	\$0.7731
H. Eligible Cost/kWh (G) Less base rate /kWh	\$0.5403	\$0.5773	\$0.5773
I. Lesser of (H) or 80.42 cents/kWh	\$0.5403	\$0.5773	\$0.5773
J. Average Class Rates (Appendix 3) Residential	\$0.6892	\$0.6892	\$0.6892
Community Facilities	\$0.6892	\$0.6892	\$0.6892
Class Power Cost Equalization Per kWh Payable			
K. Lesser of: (I) x 95% or (J) Residential	\$0.5133	\$0.5485	\$0.5485
Community Facilities	\$0.5133	\$0.5485	\$0.5485
L. Funding Level in Effect	100%	100%	100%
Residential	<b>\$ 0.5133</b>	<b>\$ 0.5485</b>	<b>\$ 0.5485</b>
Community Facilities	<b>\$ 0.5133</b>	<b>\$ 0.5485</b>	<b>\$ 0.5485</b>

PC69-1022B

Appendix 1

# ELFIN COVE ELECTRIC UTILITY

## SCHEDULE OF ELIGIBLE POWER COSTS, SALES, AND EFFICIENCY

For the Test Period Ending June 30, 2022

### Fuel Cost Update

			PC69-1022A	PC69-1022B	
			Prior Commission Approval	Per Utility	Per Staff
<b>Non-Fuel Costs:</b>					
A.	Personnel Costs		37,111	37,111	37,111
B.	Operating Expenses		11,642	11,642	11,642
C.	General & Administrative		13,645	13,645	13,645
D.	Depreciation		363	363	363
E.	Interest Expense		-	-	-
F.	Other (Describe)				
<b>G.</b>	<b>Total Non-Fuel Costs</b>		<b>62,761</b>	<b>62,761</b>	<b>62,761</b>
H.	Gallons Consumed for Electric Generation		31,699	31,699	31,699
I.	Most Recent Price *	\$6.0550	\$5.6707	\$6.0550	\$6.0550
	Date Purchased	3/28/2023			
<b>J.</b>	<b>Total Cost of Fuel (HxI)</b>		<b>\$179,757</b>	<b>\$191,939</b>	<b>\$191,939</b>
<b>K.</b>	<b>kWh Sales</b>		<b>329,442</b>	<b>329,442</b>	<b>329,442</b>
<b>L.</b>	<b>kWh Generated</b>		<b>398,169</b>	<b>398,169</b>	<b>398,169</b>
<b>M.</b>	<b>kWh Station Service</b>		<b>20,927</b>	<b>20,927</b>	<b>20,927</b>
N.	<b>Efficiency</b>	<u>Standard</u>			
	(L/H)	≥ 10.5	12.56	12.56	12.56
O.	<b>Line Loss</b>	≤ 12%	12.00%	12.00%	12.00%
(kWh Generated -(kWh Sold + Station Service))/kWh Generated					

\* 4.1939 Fuel Delta Western 5153058 9/9/722

0.0010 LUST Fee

0.0095 Ak Refined Fuel Surcharge

0.0021 Sales Tax

0.8000 Delivery

Sea Level Transport 13337

1.0485 Allowed Markup FY2023

6.0550

Elfin Cove paid \$6.60/gallon, #14806, 3/28/2023.

PC69-1022B

Appendix 2

# ELFIN COVE ELECTRIC UTILITY

## Calculation of Average Class Rate per kWh

Rate Schedule: Residential

(1) kWh by Block	(2) Rate (\$/kWh)	(3) Surcharge If Applicable (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)	(6) Avg. (\$/kWh) (5)/(1)	(7) Avg. Rate (\$/kWh) - 0.1958 /kWh
750	0.5600	0.3250	0.8850	663.75	0.8850	0.6892

750 663.75 0.8850 0.6892  
**TOTAL (A) (E)**

Rate Schedule:

(1) kWh by Block	(2) Rate (\$/kWh)	(3) Surcharge If Applicable (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)	(6) Avg. (\$/kWh) (5)/(1)	(7) Avg. Rate (\$/kWh) - 0.1958 /kWh

**TOTAL (A) (E)**

## Computation of Community Facilities Average Rate

Rate Schedule:

	(A) Rate (\$/kWh)	(B) Surcharge If Applicable (\$/kWh)	(C) Total Rate (\$/kWh) (A+B)	(7) Avg. Rate (\$/kWh) - 0.1958 /kWh
0 to 1,000	0.5600	0.3250	0.8850	0.6892
Next 500				
Over 1,500				

Signature: Keith Kurber II  
 Keith Kurber II (May 4, 2023 09:26 AKDT)

Email: keith.kurber@alaska.gov

Signature: Bob Doyle  
 Bob Doyle (May 4, 2023 09:35 AKDT)

Email: bob.doyle@alaska.gov

Signature: Bob Pickett  
 Bob Pickett (May 4, 2023 11:10 AKDT)

Email: bob.pickett@alaska.gov

Signature: Janis W. Wilson  
 Janis W. Wilson (May 4, 2023 11:17 AKDT)

Email: janis.wilson@alaska.gov

PC69-1022B  
 Appendix 3